

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

U.S. DISTRICT COURT
DISTRICT OF NEW JERSEY
RECEIVED

UNITED STATES OF AMERICA

v.
KANG JUNTAO,
a/k/a "Kan Jundao"

:
: Crim. No. 19-107 (OBS)
:
: 18 U.S.C. § 1956(a)(2)(A)
:
: 18 U.S.C. § 2
:

INDICTMENT

COUNT ONE
(Laundering of Monetary Instruments)

The Grand Jury in and for the District of New Jersey, sitting at Camden, charges:

1. KANG JUNTAO is also known as Kan Jundao.
2. At all times relevant to this Indictment, defendant KANG JUNTAO was a citizen of the People's Republic of China ("China") residing in Hangzhou City, China.

Applicable Law

3. The United States, China, Malaysia, Hong Kong special administrative region ("Hong Kong"), and approximately 180 other countries are signatories to a multilateral treaty called the Convention on International Trade in Endangered Species of Wild Fauna and Flora, 27 U.S.T. 1087, T.I.A.S. 8249 (commonly referred to as "CITES").

4. The purpose of CITES is to monitor and regulate the trade of and to protect fauna and flora from commercial activities that might diminish the capability of any species to survive in the wild. CITES classifies wildlife, fish, and plants in three appendices (Appendix I, II, and III). International trade in species listed in these Appendices is monitored and regulated by permits and quotas. The permit restrictions apply to live and dead specimens, as well as the skins, parts, and products made in whole or in part from a listed species. Wildlife and plant species listed in

Appendix I of CITES are those currently threatened with extinction and that are or may be further threatened by trade. Under Appendix I of CITES, a species may be exported from a country only if, prior to exportation, the exporter applies for and obtains a valid foreign import permit issued by the country of import and a valid export permit issued by the country of export. Wildlife and plant species listed in Appendix II of CITES include species that are not presently threatened with extinction but may become so if their trade is not regulated. Under Appendix II of CITES, a species may be exported from a country only if, prior to exportation, the exporter applies for and obtains a valid CITES export permit issued by the country of export.

5. Many species of turtles and tortoises are listed in Appendix II, but some have greater protection and are listed in Appendix I. Species listed in Appendix I and II of CITES are prohibited from export by Title 50, Code of Federal Regulations, Section 23.13(a), which states:

Except as provided in § 23.92, it is unlawful for any person subject to the jurisdiction of the United States to conduct any of the following activities unless they meet the requirements of this part: Import, export, re-export, or engage in international trade with any specimen of a species listed in Appendix I, II, or III of CITES.

The exporter is required to provide all pertinent information as well as submit Federal Fish and Wildlife Application Form 3-200-32, 3-200-33, 3-200-36, and/or 3-200-74.

6. CITES is implemented in the United States by the Endangered Species Act of 1973 (the “ESA”), which directs the U.S. Fish and Wildlife Service (“USFWS”) to administer the treaty. 16 U.S.C. §§ 1537a, 1540(f). The ESA makes it unlawful to knowingly “trade in any specimen contrary to the provisions of [CITES], or to possess any specimen traded contrary to the provisions of [CITES].” 16 U.S.C. §§ 1538(c)(1), 1540(b)(1). “Trade,” in this context, includes the sale and export from the United States. The USFWS has issued regulations incorporating the specific

permit requirements and provisions of CITES and listing the species contained on the CITES appendices. 50 C.F.R. Part 23.

7. The eastern box turtle (*Terrapene carolina carolina*), the Florida box turtle (*Terrapene carolina bauri*), and the Gulf Coast box turtle (*Terrapene carolina major*) are subspecies of the common box turtle (*Terrapene carolina*) and have been listed in CITES Appendix II since 1995. The spotted turtle (*Clemmys guttata*) is a semi-aquatic turtle listed in CITES Appendix II as of 2013. The wood turtle (*Glyptemys insculpta*) has been protected under CITES Appendix II since 1992.

8. In addition to the requirements of CITES and the ESA, federal law generally requires that all wildlife, including turtles, or parts thereof, be declared to the USFWS prior to their export from the United States. When exporting any wildlife, exporters or their agents must file with the USFWS a completed Declaration for Importation or Exportation of Fish, Wildlife, or Plants (Form 3-177). A USFWS or United States Customs Service officer must clear (or refuse) wildlife being exported from the United States, and the exporter or his agent must make available to the officer the wildlife being exported, as well as all required permits, licenses or other documents. 50 C.F.R. § 14.

9. United States law prohibits the transfer of funds from outside the United States to the United States with the intent to promote a specified unlawful activity. 18 U.S.C. § 1956(a)(2). Smuggling Goods from the United States, 18 U.S.C. § 554, is a specified unlawful activity. 18 U.S.C. § 1956(c)(7). There is extraterritorial jurisdiction over this conduct by a non-United States citizen if the conduct occurs in part in the United States and the series of transactions involves funds exceeding \$10,000. 18 U.S.C. § 1956(f).

Money Laundering

10. Person One is a special agent working in an undercover capacity in Atlantic County, New Jersey. As described below, KANG JUNTAO sent Person One and other individuals a series of financial transactions for the purchase, shipping, and smuggling of turtles from the United States to Hong Kong.

11. Person One maintained a PayPal account for all financial transactions with KANG JUNTAO. PayPal is a digital money transfer platform located in the United States. Person One opened a BB&T bank business checking account in New Jersey to maintain the undercover funds listed below. This BB&T bank account is linked to the undercover PayPal account used to transact with KANG JUNTAO.

12. KANG JUNTAO arranged for turtle suppliers to send Person One eastern box turtles, Florida box turtles, Gulf Coast box turtles, spotted turtles, and wood turtles, which were in turn smuggled to Hong Kong. In total, between on or about June 12, 2017, and December 3, 2018, KANG JUNTAO sent Person One 40 payments amounting to approximately \$78,362 through PayPal. Person One used these funds to, among other things, pay turtle suppliers at KANG JUNTAO'S direction. Thirty-eight of the payments sent by KANG JUNTAO correspond to an address in China, twenty-nine of which are associated with China Union Pay Bank, a financial institution in China, or Chinese credit card accounts.

13. Neither KANG JUNTAO nor his associates ever applied for or ever received the necessary CITES permits to export protected species. None of the turtle shipments were declared to USFWS or customs authorities. In total, KANG JUNTAO directed Person One and other shippers to smuggle approximately 1,500 turtles out of the United States to China, valued at approximately \$2,250,000.

14. From on or around June 12, 2017, through on or around December 3, 2018, in Atlantic County, in the District of New Jersey and elsewhere, defendant KANG JUNTAO transported, transmitted, and transferred a monetary instrument and funds in excess of \$10,000 to a place in the United States, specifically New Jersey, from and through a place outside the United States, specifically China, with the intent to promote the carrying on of specified unlawful activity, to wit Smuggling Goods from the United States (Title 18, United States Code, Section 554), and did aid and abet other persons in doing so; all in violation of Title 18, United States Code, Sections 1956(a)(2)(A) and 2.

15. KANG JUNTAO sent Person One the following PayPal payments to promote turtle smuggling from New Jersey to China:

Date	Value	Date	Value
June 12, 2017	\$1,000	Feb. 16, 2018	\$2,500, \$4,000, & \$250
June 17, 2017	\$800	March 8, 2018	\$1,400
June 24, 2017	\$3,432	April 17, 2018	\$1,800
July 7, 2017	\$472	April 26, 2018	\$600
July 9, 2017	\$4,000	April 27, 2018	\$1,000
July 21, 2017	\$1,248	May 6, 2018	\$412 & \$618
July 25, 2017	\$3,500 & \$3,000	June 1, 2018	\$2,060
August 16, 2017	\$1,000	June 6, 2018	\$2,266
August 18, 2017	\$4,160	July 13, 2018	\$2,472
August 28, 2017	\$4,160	August 16, 2018	\$4,326
Sept. 7, 2017	\$4,000 & \$3,000	August 24, 2018	\$1,236
Sept. 26, 2017	\$1,000	Sept. 11, 2018	\$2,000 & \$1,500
October 17, 2017	\$1,000 & \$200	October 12, 1018	\$2,000 & \$500
November 8, 2017	\$2,450	October 26, 2018	\$2,400
November 16, 2017	\$2,000	Dec. 3, 2018	\$600
December 8, 2017	\$2,000		
January 18, 2018	\$2,000	Total	\$78,362

A TRUE BILL

FOREPERSON

JEAN WILLIAMS
Deputy Assistant Attorney General
Environment and Natural Resources Division

By: 
RYAN CONNORS
Trial Attorney

**United States District Court
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UNITED STATES OF AMERICA

v.

KANG JUNTAO

INDICTMENT FOR

18 U.S.C. §§ 1956(a)(2)(A), 2

A True Bill,

Foreperson

JEAN WILLIAMS

*DEPUTY ASSISTANT ATTORNEY GENERAL
WASHINGTON, D.C.*

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(Ed. 1/97)**